



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution authorizing the City Manager to provide funding in the amount of \$50,000 to renew the Public Benefits Program - Residential Heating, Ventilation, Air Conditioning (HVAC) Rebate Program (EUD)

MEETING DATE: February 21, 2001

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to provide funding in the amount of \$50,000 to renew the Public Benefits Program - Residential Heating, Ventilation, Air Conditioning (HVAC) Rebate Program. This program is targeted to begin March 12, 2001, and continue until funds are exhausted.

BACKGROUND INFORMATION: The Residential HVAC Rebate is a program familiar to the residents of Lodi. A similar program was funded through the City of Lodi Public Benefits Program in late 1999, and came to a close in August of 2000, when a majority of the approved budget was exhausted.

The 2001 version of the Residential HVAC Rebate is once again designed to provide incentive dollars to residential customers who upgrade their existing central air conditioning systems to a higher efficiency unit. Specifically, participating customers will receive:

- \$100 rebate per ton for the installation of a 12.0 Seasonal Energy Efficiency Rating (SEER) air conditioning unit; up to \$600 per customer service address;
- \$150 rebate per ton for the installation of a 13.0 SEER air conditioning unit; up to \$900 per customer service address; and
- \$200 rebate per ton for the installation of a 14.0 or better SEER air conditioning unit; up to \$1,200 per customer service address.

Air conditioning and heating costs represent some sixty (60) percent of the average annual utility expenses for residential customers in our community. By removing an aging and inefficient air conditioning system, and replacing it with a high efficiency unit, customers should significantly reduce their monthly utility bills (savings will differ depending upon the customer's use of the central air conditioning system during the annual cooling season).

Based upon the success of the previous residential air conditioner rebate program, Electric Utility staff respectfully recommends approval of the Residential HVAC Rebate, as a qualifying component of the City of Lodi Public Benefits Program.

APPROVED: _____

Russell A. Flynn
H. Dixon Flynn - City Manager



CITY OF LODI

COUNCIL COMMUNICATION

FUNDING: Public Benefits Program Fund - 164605 (Category: Demand-side Management)

Funding Approval: *Vicky McAthie*
Vicky McAthie, Finance Director

Alan N. Vallow
Alan N. Vallow
Electric Utility Director

PREPARED BY: Rob Lechner, Manager of Customer Programs
ANV/RL/ist

APPROVED: _____
H. Dixon Flynn - City Manager

RESOLUTION NO. 2001-41

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO PROVIDE FUNDING TO RENEW
THE PUBLIC BENEFITS PROGRAM – RESIDENTIAL
HEATING, VENTILATION, AIR CONDITIONING (HVAC)
REBATE PROGRAM

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WHEREAS, the State has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on a historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1M per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, this project is specifically designed for Lodi residential electric customers. The Residential HVAC Rebate Program will provide 1) a rebate of \$100 per ton for the installation of a 12.0 Seasonal Energy Efficiency Rating (SEER) air conditioning unit, (not to exceed \$600 per customer service address); 2) a \$150 rebate per ton for the installation of a 13.0 SEER air conditioning unit, up to \$900 per customer service address; and 3) a \$200 rebate per ton for the installation of a 14.0 or better SEER air conditioning unit; up to \$1,200 per customer service address.

BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to provide funding in the amount of \$50,000.00 to renew the Public Benefits Program – Residential Heating, Ventilation, Air Conditioning (HVAC) Rebate Program, specifically designed for Lodi residential electric customers.

Dated: February 21, 2001

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I hereby certify that Resolution No. 2001-41 was passed and adopted by the Lodi City Council in a regular meeting held February 21, 2001 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk

2001-41